



Water Infrastructure Finance Authority of Arizona

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WIFA Chairman Steve Owens Announces Publication of 2004 Annual Report

PHOENIX –Water Infrastructure Finance Authority (WIFA) of Arizona Chairman Steve Owens announced today the availability of the authority's 2004 annual report on the WIFA Web site (www.azwifa.gov).

“This has been an extremely successful year for WIFA,” said WIFA Chair Steve Owens, who is also the director of the Arizona Department of Environmental Quality (ADEQ). “WIFA has become a premier water and wastewater financial institution in Arizona and nationally and is helping communities throughout the state with their water infrastructure needs.”

The report provides an overview of the authority's activities from January 2004 through December 2004 and highlights three very important achievements in 2004:

- Governor Janet Napolitano signed Senate Bill 1062 into law reauthorizing WIFA for 10 years.
- WIFA received the highest credit ratings possible from the three top Wall Street rating agencies: Fitch Ratings – AAA, Moody's Investor Service – Aaa and Standard and Poor's – AAA. This is the first credit rating for WIFA by Standard and Poor's.
- WIFA sold a record \$320 million in water quality revenue bonds. The proceeds from the bond sale are used to satisfy the growing demand for both loan programs that WIFA administers.

“Our achievements are evidence of WIFA's sound management and fiscal policies as well as its strong performance as a low-interest source of funds for Arizona's communities,” said Executive Director Jay R. Spector.

WIFA is faced with two ongoing challenges that are also discussed in the report.

One challenge is assisting communities in meeting the Environmental Protection Agency's arsenic standard by Jan. 23, 2006. WIFA worked together with the ADEQ and the Corporation Commission to host workshops across the state educating communities about the federal standard.

“Arizona's communities have more of a tough challenge meeting the federal standard due to the higher contents naturally occurring arsenic in the dirt,” added Owens.

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Another challenge is the funding disparity with the Clean Water State Revolving Fund. The revolving fund formula is based on 1970s population figures and infrastructure needs. Making this an even larger challenge, the U.S. Congress reduced funding by 23 percent for Arizona's clean water revolving fund loan program.

"The funding formula fails to take into account the tremendous growth Arizona has experienced since the 1970s," said WIFA Executive Director Jay Spector. "It is vital that Arizona be provided with resources to assist communities with affordable water and wastewater infrastructure projects."

Paper copies of the report are available upon request.

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ABOUT THE WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA

The Water Infrastructure Finance Authority of Arizona maintains and improves water quality in Arizona by providing communities and private water systems with access to low-interest financial assistance and technical assistance needed for basic water infrastructure. WIFA's funds are capitalized by contributions from the US Congress and the state of Arizona. As a leader in water infrastructure finance, WIFA has become a premier financial institution both in Arizona and nationally. Visit WIFA's Web site at www.azwifa.gov.